



Loews Corporation Completes Acquisition of Texas Gas Transmission Corporation

May 16, 2003



NEW YORK--(BUSINESS WIRE)--May 16, 2003--Loews Corporation announced today that it has completed its previously announced acquisition of Texas Gas Transmission Corporation from The Williams Companies, Inc. The transaction value is approximately \$1.045 billion, which includes \$250 million of existing Texas Gas debt. Loews funded the approximately \$795 million balance of the purchase price with \$520 million of its available cash and with proceeds from \$275 million of additional debt incurred at the subsidiary level.

Texas Gas owns and operates a 5,800-mile pipeline system that transports natural gas from the Gulf Coast, east Texas and north Louisiana to markets in the southern United States through the Midwest. Texas Gas has a delivery capacity of 2.8 billion cubic feet (Bcf) per day and a working storage capacity of 55 Bcf.

James Tisch, CEO of Loews commented, "We are pleased to announce the closing of this significant acquisition. Texas Gas is a first-rate company that we think complements our other assets very well - particularly our other energy-related investments. We are delighted to welcome Texas Gas as a Loews subsidiary."

Loews Corporation, a holding company, is one of the largest diversified financial corporations in the United States. Its principal subsidiaries are CNA Financial Corporation, Lorillard, Inc., Diamond Offshore Drilling, Inc., Loews Hotels, Bulova Corporation, and Texas Gas Transmission Corporation.

CONTACT: Loews Corporation, New York
Peter W. Keegan, 212/521-2950
Joshua E. Kahn, 212/521-2788
Candace Leeds, 212/521-2416

SOURCE: Loews Corporation